

OUR KNOW-HOW FOR YOUR SAFETY

INTERIM REPORT
3/2015



KEY FIGURES NABALTEC GROUP

AS OF 30 SEPTEMBER 2015

(in EUR million)	09/30/2015 (IFRS)	09/30/2014 (IFRS)	Change
Revenues			
Total revenues	115.4	109.6	5.3%
thereof			
Functional Fillers	78.5	75.4	4.1%
Technical Ceramics	36.9	34.2	7.9%
Foreign share (%)	72.3	70.9	—
Employees* (number of persons)	444	425	4.5%
Earnings			
EBITDA	19.2	17.6	9.1%
EBIT	11.7	10.4	12.5%
Consolidated result after taxes**	5.4	4.7	14.9%
Earnings per share (EUR)**	0.67	0.59	13.6%
Financial position			
Cash flow from operating activities	22.1	19.2	15.1%
Cash flow from investing activities	-10.2	-8.4	21.4%
Assets, equity and liabilities			
	09/30/2015	12/31/2014	
Total assets	202.7	178.8	13.4%
Equity	58.1	52.5	10.7%
Non-current assets	115.4	112.5	2.6%
Current assets	87.3	66.3	31.7%

* on the reporting date, including trainees

** after non-controlling interests

REVENUES AS OF 09/30 (in EUR million)



EBIT AS OF 09/30 (in EUR million)



CASH FLOW FROM OPERATING ACTIVITIES AS OF 09/30 (in EUR million)



NABALTEC AG

LEADING IN ECO-FRIENDLY SPECIALTY CHEMICALS



Nabaltec AG, with registered office in Schwandorf, a chemicals business which has received multiple awards for innovativeness, manufactures, develops and distributes highly specialized products based on aluminum hydroxide (“ATH”) and aluminum oxide, as well as other raw materials, on an industrial scale through its “Functional Fillers” and “Technical Ceramics” divisions. Nabaltec maintains production sites in Germany and the US and plans to continue to consolidate its market position by expanding capacity, further optimizing processes and quality and making strategic extensions to its product range. On the strength of its specialty products, the company strives to attain the market leadership in each segment.

NABALTEC WORLDWIDE

Schwandorf and Kelheim
Bavaria, Germany

Corpus Christi
Texas, USA

NABALTEC MAINTAINS A GLOBAL PRESENCE,
WITH LOCATIONS IN GERMANY AND THE US
AND A NETWORK OF INTERNATIONAL AGENCIES

□ Locations ■ Agencies

OUR BUSINESS DIVISIONS



FUNCTIONAL FILLERS

Nabaltec's functional fillers are eco-friendly and safe. Depending on their field of application, they reduce the emission of hazardous fumes in the case of fire or increase operational stability of materials for various applications, from profiles to state-of-the-art energy storage facilities.

In our business division "Functional Fillers", we develop highly specialized aluminum hydroxide-based products for a wide variety of applications, and we are among the leading manufacturers in the world in this area. In addition to current market trends, the development of our halogen-free eco-friendly flame retardants, additives and boehmites is driven above all by the specific requirements of our customers.

REVENUES (in EUR million)



TECHNICAL CERAMICS

Nabaltec's ceramic raw materials and ceramic bodies, in special qualities, offer fields of application in all areas of life and in all industrial sectors. They provide e.g. greater mechanical strength in household ceramics and higher durability for components in engineering ceramics.

In our business division "Technical Ceramics", we develop innovative materials for a wide variety of industries based on all-natural ingredients and occupy a leading position in the global market for ceramic raw materials and bodies. We are constantly investing in optimizing our production facilities, in innovative technologies and in improving our production processes in order to enable us to consistently supply tailor-made qualities which meet our customers' needs.



REVENUES (in EUR million)



SPECIALTY CHEMICALS

FOR SAFER AND MORE ECO-FRIENDLY PRODUCTS

The range of applications for Nabaltec products is extremely diverse. They are preferred whenever utmost quality, safety, eco-friendliness and durability are required. It is the combination of these important characteristics that guarantees Nabaltec products outstanding growth prospects. The special strengths of Nabaltec are a number of functional fillers for the plastics industry and high-quality, specialized raw materials for technical ceramics, always featuring unchanging prime quality and designed for very special requirements.

OUR APPLICATIONS



FLAME RETARDANTS/FLAME RETARDANT FILLERS

Eco-friendly aluminum hydroxide is used e.g. for cables in tunnels, and aluminum monohydrate (boehmite) is used amongst others in heavy metal-free printed circuit boards.

ADDITIVES

Nabaltec's additives are used e.g. as co-stabilizers in PVC products and as process additives.



ENVIRONMENTAL TECHNOLOGY

Aluminum hydroxide serves e.g. to eliminate fumes in power plants and boehmite is used as a raw material in alternative energy storage and in catalyzers.

CERAMIC RAW MATERIALS

Aluminum oxide and sintered mullite are used primarily in the refractory and polishing industries, in the automotive sector and in glass and ceramics production.



CERAMIC BODIES

Highly specialized and ready-formulated mixtures are used particularly to prevent abrasion and protect people and vehicles, as well as in engineering ceramics.



PAGE 06 – 09 TO OUR SHAREHOLDERS



PAGE 10 – 12 CONSOLIDATED INTERIM MANAGEMENT REPORT



PAGE 13 – 26 CONSOLIDATED INTERIM FINANCIAL STATEMENTS



PAGE 27 FURTHER INFORMATION

CONTENTS

TO OUR SHAREHOLDERS

- 06 Management board foreword
- 08 Nabaltec share

CONSOLIDATED INTERIM MANAGEMENT REPORT

- 10 Course of business
- 12 Employees
- 12 Subsequent events
- 12 Outlook
- 12 Report on opportunities and risks

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

- 14 Statement of comprehensive income
- 16 Statement of financial position
- 18 Statement of cash flows
- 20 Statement of changes in equity
- 22 Segment reporting
- 23 Notes

FURTHER INFORMATION

- 27 Financial calendar 2016
- 27 Contact and imprint



Gerhard Witzany

Johannes Heckmann

MANAGEMENT BOARD FOREWORD

*Ladies and gentlemen,
Dear Shareholders and Business Partners,*

*Stable and continuing strong
growth performance in the first
nine months of 2015*

“Stable and continuing strong growth,” that phrase best summarizes Nabaltec AG’s performance in the first nine months of 2015, as well as our expectations for the rest of the year. Revenues are up 5.3% over the same period of last year and operating profit (EBIT) is up 12.5%. An EBIT margin (EBIT as a percentage of total performance) of 10.2% was posted, and earnings per share were up by 13.6%. These gains were exceeded only by our share price, which is up 38.2% so far in 2015.

This performance is in line with 2015 estimates, which were confirmed after the return target was raised in August. We expect an EBIT margin of around 10% for the year 2015 and revenue growth in the mid-single digits over last year.

In key performance indicators such as operating cash flow and consolidated earnings, our results through 30 September 2015 have already exceeded or equaled the values posted over a 12-month period in 2014. Nevertheless, we will not rest on our laurels: we continue to see potential in our target markets. The performance of the business division “Functional Fillers”

has been dampened by the fact that results in August fell somewhat short of expectations, which a strong September was unable to entirely make up for. This reduced the growth rate, despite the generally stable market situation, so that the business division “Functional Fillers” finished the third quarter even with the year before. Revenue growth in the business division “Technical Ceramics” continued to accelerate, as we expected, with revenues up a disproportionately high 9.4% in the third quarter. However, we continue to see potential, above all in the product mix and the associated margins.

Our investments aim to further develop high-margin product segments and create additional capacity. So far this year, we have made around EUR 10 million in investments, which already exceeds last year’s number. Spending on investments will be high in the fourth quarter of 2015 as well.

So far this year, Nabaltec has made around EUR 10 million in investments

Already today, we believe we are optimally positioned in our target markets. At the same time, we will keep up the pace of innovation and investments in order to maintain and even extend our advantage. Our competition landscape is in flux. Market share is changing hands, due in part to M&A projects and in part to strategic decisions by large multinational corporations, e.g. in the aluminum industry, which affect our market directly or indirectly. We are watching these developments very closely and plan to profit from them. And we will do so above all by continuing to show our foremost virtues, which our customers all over the world have come to appreciate: top quality, utmost reliability and individualized solutions for each customer.

Nabaltec considers itself optimally positioned in its own target markets

Sincerely yours,



JOHANNES HECKMANN
Member of the Board



GERHARD WITZANY
Member of the Board

NABALTEC SHARE

THIRD QUARTER OF 2015



ISIN/WKN: DE000A0KPPR7/A0K PPR

Since 24 November 2006 Nabaltec share has been listed in the Entry Standard segment of the Frankfurt Stock Exchange.

KEY DATA FOR NABALTEC SHARE (XETRA)

	First 9 months of 2015	Year 2014
Number of shares	8,000,000	8,000,000
Market capitalization (cutoff date, in EUR million)	134.48	97.28
Average price (in EUR)	15.21	10.94
High (in EUR)	18.43	12.56
Low (in EUR)	12.04	8.80
Closing price (cutoff date, in EUR)	16.81	12.16
Average daily turnover (in shares)	4,166	5,467
Earnings per share* (in EUR)	0.67	0.69

* after non-controlling interests

Price of Nabaltec share climbs once again in the third quarter of 2015

The strong performance of Nabaltec share in the first half of the year continued in the third quarter of 2015 as the share price increased once again. At the end of the reporting quarter, Nabaltec share was listed at EUR 16.81, up 3.8% from their price at the close of the second quarter, EUR 16.20. The share recorded its high for the reporting quarter, EUR 18.43, in early August, after which it briefly dropped, falling to EUR 15.00 at the end of August, which marked its low for the reporting quarter. The share price recovered in the remainder of the quarter and finished the third quarter at EUR 16.81, up 53.2% from the price at the end of the same quarter of last year, EUR 10.97, and up 38.2% from the price at the end of 2014, EUR 12.16. The relevant indices, the SDAX and the specialty chemicals index, posted much smaller gains in the first three quarters of 2015, up 15.6% and 2.7% respectively since the end of 2014. The average daily trading turnover of Nabaltec share on XETRA was 4,166 shares in the first nine months of 2015.

Earnings per share (EPS) after non-controlling interests amounted to EUR 0.67 in the first nine months of 2015. By comparison, EPS at the end of the third quarter of 2014 amounted to EUR 0.59.

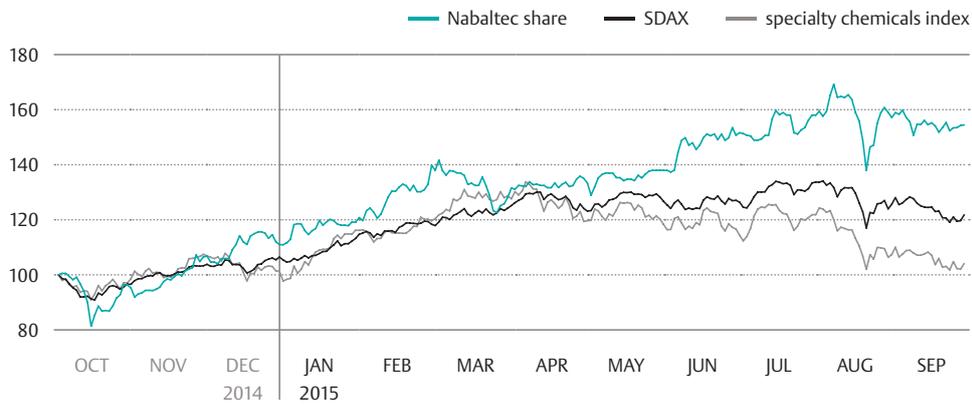
Earnings per share of EUR 0.67

Analyst recommendations for Nabaltec share continue to be positive. In its analysis of 26 August 2015, Hauck & Aufhäuser confirmed its “buy” recommendation and its price target of EUR 20.00. Baader Bank, in its study of 19 October 2015, also once again rated Nabaltec share a “buy,” with a price target of EUR 17.50.

As of 30 June 2015, the majority of the 8,000,000 non-par-value shares continue to be held by the Heckmann and Witzany families, with the Heckmann family holding 31.54% of the capital stock and the Witzany family holding 29.87%. The remaining 38.59% of shares are in free float.

Stable shareholder structure

PERFORMANCE OF NABALTEC SHARE (XETRA, indexed)



CONSOLIDATED INTERIM MANAGEMENT REPORT

AS OF 30 SEPTEMBER 2015

COURSE OF BUSINESS

Consolidated revenues amount to EUR 37.6 million in the third quarter of 2015 (+3.0%)

Nabaltec AG once again reported strong revenue growth in the third quarter of 2015, with revenues of EUR 37.6 million, up 3.0% from the same quarter of last year (2014: EUR 36.5 million). Due to the fact that the summer months are traditionally somewhat slower, revenues were not quite as high as they were in the first two quarters of the year, when the company posted very strong revenues. Revenues were down 3.6% from the value posted in the second quarter of 2015, EUR 39.0 million.

Revenues over the first nine months of 2015 amount to EUR 115.4 million, up 5.3% over the value posted in the same period of last year, EUR 109.6 million.

Revenues in the business division “Functional Fillers” amounted to EUR 24.8 million in the third quarter of 2015, in line with the result for the same quarter of last year, EUR 24.9 million. Revenues were down 7.5% from last quarter's very strong result, EUR 26.8 million, a decrease which was attributable above all to the fact that August sales have traditionally been somewhat weaker. Revenue growth in the business division “Technical Ceramics” was in line with estimates. Specifically, revenues were up 9.4%, from EUR 11.7 million in the third quarter of 2014 to EUR 12.8 million in the reporting quarter, and revenues were up 4.9% relative to the revenues posted in the second quarter of 2015, EUR 12.2 million.

In the first nine months of 2015, revenues in the business division “Functional Fillers” amounted to EUR 78.5 million, up 4.1% from the same period of last year (EUR 75.4 million). Revenues in the business division “Technical Ceramics” amounted to EUR 36.9 million in the first three quarters of 2015, up 7.9% over the same period of last year, when revenues were EUR 34.2 million.

Overlooking the geographic breakdown of sales, Nabaltec posted disproportionately strong growth in the US and in Europe (excluding Germany). The export ratio in the first nine months of 2015 increased accordingly, from 70.9% in the same period of last year to 72.3%.

Total performance increases to EUR 115.0 million

Nabaltec's total performance in the first three quarters of 2015 amounted to EUR 115.0 million, compared to EUR 108.3 million in the same period of last year. This increase of 6.2% is attributable above all to strong revenue growth, as well as the simultaneous significantly lower decrease in inventories of finished products relative to the comparison period.

The cost of materials ratio (cost of materials as a percentage of total performance) improved slightly in the first nine months of 2015, to 52.0%, compared to 52.4% in the same period of last year. Gross profit margin (as a percentage of total performance) increased accordingly, from 49.3% to 49.8%.

Personnel expenses increased from EUR 18.9 million in the first nine months of 2014 to EUR 20.5 million in the reporting period. The personnel expense ratio (personnel expenses

as a percentage of total performance) increased accordingly, from 17.5% to 17.8%, while the number of employees increased from 425 to 444.

Other operating expenses increased from EUR 16.9 million in the same period of last year to EUR 17.6 million in the first three quarters of 2015, due primarily to increased freight costs and sales agent commissions as a result of higher sales, as well as higher costs for services from third parties. Other operating expenses as a percentage of total performance improved relative to the same period of last year, from 15.6% to 15.3%.

Results in the first nine months of 2015 were not affected by extraordinary factors or one-time effects.

Earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to EUR 19.2 million in the first three quarters, up 9.1% from the value of EUR 17.6 million in the same period of last year. The EBITDA margin (EBITDA as a percentage of total performance) increased accordingly, from 16.3% in the first nine months of 2014 to 16.7% in the reporting period.

Consolidated EBIT amounted to EUR 11.7 million in the reporting period, compared to EUR 10.4 million in the first nine months of 2014. The EBIT margin (EBIT as a percentage of total performance) amounted to 10.2% in the first nine months of 2015, up from 9.6% in the same period of last year.

EBIT margin of 10.2%

Net financial income improved as a result of the new debt structure, from EUR –3.2 million in the same period of last year to EUR –2.9 million in the reporting period.

Earnings before taxes in the first nine months of 2015 increased to EUR 8.8 million, up from EUR 7.2 million in the same period of last year. After adjusting for taxes and non-controlling interests, consolidated earnings for the period came to EUR 5.4 million, compared to EUR 4.7 million in the comparison period. This corresponds to earnings per share of EUR 0.67 in the first nine months of 2015. By way of comparison, earnings per share in the same period of last year amounted to EUR 0.59.

Consolidated earnings increase to EUR 5.4 million

Cash flow from operating activities increased to EUR 22.1 million in the first nine months of 2015, from EUR 19.2 million in the same period of last year. In addition to strong earnings growth, a reduction in inventories and a significantly lower increase in trade receivables and other assets contributed to this development.

Cash flow from operating activities increases to EUR 22.1 million

Spending on investments increased relative to the same period of last year, from EUR 8.4 million to EUR 10.2 million. Investments were made primarily in technical equipment and machinery to increase capacity and for process optimization for fine precipitated hydroxides, as well as for general replacement investments.

Cash flow from financing activities amounted to EUR 11.0 million in the first nine months of the year, compared to EUR –10.1 million in the same period of last year. This change was due above all to the partial repayment of the 2013 loan against borrower's note in the amount of EUR 43.5 million and the receipt of a new loan against borrower's note in the second quarter of 2015, in the amount of EUR 70.0 million. Aside from an extraordinary amortization of a bank loan in the amount of EUR 5.0 million, amortization payments were in line with long-term estimates.

Nabaltec Group's cash and cash equivalents amounted to EUR 50.4 million as of 30 September 2015.

Nabaltec Group's balance sheet showed an increase in total assets by 13.4% relative to 31 December 2014, to EUR 202.7 million. As of the reporting date, 30 September 2015, non-current assets were up 2.6% and current assets increased by 31.8%. This strong increase was attributable above all to the significant increase in cash and cash equivalents due to receipt of the loan against borrower's note.

Equity ratio of 28.7%

On the liabilities side of the balance sheet, the equity ratio has decreased from 29.3% on 31 December 2014 to 28.7% on 30 September 2015, while shareholders' equity increased from EUR 52.5 million to EUR 58.1 million. Non-current liabilities increased by 19.0% in this period, including a loan against borrower's note in the amount of EUR 70.0 million which was newly obtained in the second quarter of 2015. Current liabilities increased by 3.5%.

EMPLOYEES

As of the reporting date, 30 September 2015, Nabaltec Group had 444 employees (including trainees). On the same date of last year, this number was 425 employees. The trainee ratio was 11.0%, down slightly from the year before (11.8%).

SUBSEQUENT EVENTS

No major events with an impact on the financial, earnings and liquidity position occurred after the reporting date.

OUTLOOK

Revenue growth in the mid-single digits expected in 2015

Given that economic conditions are continuing to stabilize, Nabaltec expects revenue growth in the mid-single digits in the current year. Nabaltec raised its 2015 EBIT forecast in the second quarter of 2015. Before, the company had projected a margin in line with last year's margin, in the amount of 8.9%. As things stand, Nabaltec expects an EBIT margin of around 10% for 2015. Strict cost management in all segments will serve to further optimize earning power.

Orders on hand amounted to EUR 23.5 million on 30 September 2015, up 4.4% from the value on 31 December 2014.

Otherwise, the statements made in the forecast report of the 2014 consolidated management report retain their validity.

REPORT ON OPPORTUNITIES AND RISKS

No significant changes were evident in the first nine months of 2015 to the risk situation presented in the 2014 consolidated management report.

Schwandorf, 2 November 2015

The Management Board

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

AS OF 30 SEPTEMBER 2015

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

- 14 Statement of comprehensive income
- 16 Statement of financial position
- 18 Statement of cash flows
- 20 Statement of changes in equity
- 22 Segment reporting
- 23 Notes

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD FROM 1 JANUARY 2015 THROUGH 30 SEPTEMBER 2015

(in EUR '000)	01/01/ – 09/30/2015	07/01/ – 09/30/2015	01/01/ – 09/30/2014	07/01/ – 09/30/2014
Revenue	115,402	37,644	109,573	36,541
Change in unfinished and finished products	-727	-1,001	-1,576	-752
Other own services capitalized	346	137	287	82
Total performance	115,021	36,780	108,284	35,871
Other operating income	2,119	118	1,844	1,161
Cost of materials	-59,843	-19,358	-56,728	-18,909
Gross profit	57,297	17,540	53,400	18,123
Personnel expenses	-20,453	-6,625	-18,852	-6,298
Depreciation and amortization	-7,566	-2,564	-7,228	-2,441
Other operating expenses	-17,605	-5,707	-16,916	-5,583
Operating result (EBIT)	11,673	2,644	10,404	3,801
Interest and similar income	192	72	117	37
Interest and similar expenses	-3,092	-915	-3,298	-1,086
Result from ordinary operations (EBT)	8,773	1,801	7,223	2,752
Income taxes	-2,677	-445	-1,994	-1,010
Consolidated result after taxes	6,096	1,356	5,229	1,742
thereof attributable to				
Shareholders of the parent company	5,390	1,078	4,699	1,579
Non-controlling interests	706	278	530	163
Consolidated result after taxes	6,096	1,356	5,229	1,742
Earnings per share (in EUR)	0.67	0.13	0.59	0.20

(in EUR '000)	01/01/ – 09/30/2015	07/01/ – 09/30/2015	01/01/ – 09/30/2014	07/01/ – 09/30/2014
Consolidated result after taxes	6,096	1,356	5,229	1,742
Items that may be reclassified subsequently to profit or loss				
Foreign Currency Translation (after taxes)	714	- 35	642	582
Net result from Hedge Accounting (after taxes)	- 218	- 1,038	- 589	316
	496	- 1,073	53	898
Items that will not be reclassified to profit or loss				
Actuarial gains and losses	0	0	0	0
	0	0	0	0
Other result	496	- 1,073	53	898
thereof attributable to				
Shareholders of the parent company	482	- 1,078	30	910
Non-controlling interests	14	5	23	- 12
Comprehensive income	6,592	283	5,282	2,640
thereof attributable to				
Shareholders of the parent company	5,872	0	4,729	2,489
Non-controlling interests	720	283	553	151

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS OF 30 SEPTEMBER 2015

ASSETS (in EUR '000)	09/30/2015	12/31/2014
Non-current assets	115,365	112,499
Intangible assets		
Concessions, industrial property rights and similar rights and assets, as well as licenses to such rights and assets (including advance payments)	475	422
Property, plant and equipment	114,890	111,960
Land, leasehold rights and buildings on non-owned land	29,203	29,509
Technical equipment, plant and machinery	74,337	75,545
Other fixtures, fittings and equipment	2,925	2,857
Advance payments and plant and machinery under construction	8,425	4,049
Deferred tax assets	0	117
Current assets	87,350	66,314
Inventories	25,330	27,547
Raw materials and supplies	13,667	15,352
Unfinished goods	495	431
Finished products and merchandise	11,168	11,764
Trade receivables and other assets	11,668	11,536
Trade receivables	5,778	4,551
Income tax claims	0	26
Other assets	5,890	6,959
Cash and cash equivalents	50,352	27,231
TOTAL ASSETS	202,715	178,813

EQUITY & LIABILITIES (in EUR '000)	09/30/2015	12/31/2014
Equity	58,093	52,461
Subscribed capital	8,000	8,000
Capital reserve	29,764	29,764
Earnings reserves	9,711	9,711
Profit/loss carried forward	12,346	7,813
Consolidated result after taxes	5,390	5,493
Accumulated other comprehensive result	-7,668	-8,150
Non-controlling interests	550	-170
Non-current liabilities	105,928	88,960
Retirement benefit obligation	25,912	25,275
Other provisions	867	839
Payables to banks	77,274	61,353
Deferred tax liabilities	1,875	1,493
Current liabilities	38,694	37,392
Income tax payables	2,750	1,377
Other provisions	155	150
Payables to banks	9,015	10,041
Trade payables	10,529	9,924
Other liabilities	16,245	15,900
TOTAL EQUITY & LIABILITIES	202,715	178,813

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE PERIOD FROM 1 JANUARY 2015 THROUGH 30 SEPTEMBER 2015

(in EUR '000)	01/01/ - 09/30/2015	01/01/ - 09/30/2014
Cash flow from operating activities		
Period profit before taxes	8,773	7,223
+ Depreciation and amortization	7,566	7,228
-/+ Gain/loss from asset disposals	82	-4
- Interest income	-192	-117
+ Interest expenses	3,092	3,298
Operating profit before working capital changes	19,321	17,628
+/- Increase/decrease in provisions	210	84
-/+ Increase/decrease in trade receivables and other assets not attributable to investing or financing activity	-158	-3,013
+/- Decrease/increase in inventories	2,216	-68
+/- Increase/decrease in trade payables and other liabilities, not attributable to investment or financing activity	1,179	5,598
Cash flow from operating activities before taxes	22,768	20,229
- Income taxes paid	-671	-997
Net cash generated by operating activities	22,097	19,232

(in EUR '000)	01/01/ – 09/30/2015	01/01/ – 09/30/2014
Cash flow from investing activities		
+ Cash received from disposals of property, plant and equipment	2	6
– Cash paid for purchases in property, plant and equipment	– 10,073	– 8,170
– Cash paid for investments in intangible assets	– 144	– 273
Net cash generated by investing activities	– 10,215	– 8,437
Cash flow from financing activities		
– Dividends	– 960	– 480
+ Cash received from financial loans	69,800	0
– Cash rendered for payment of financial loans	– 56,202	– 7,566
– Interest paid	– 1,667	– 2,093
+ Interest received	32	27
Net cash generated by financing activities	11,003	– 10,112
Net change in cash and cash equivalents	22,885	683
Effects of exchange rate changes on the balance of cash held in foreign currencies	236	204
Cash and cash equivalents at the beginning of the period	27,231	29,678
Cash and cash equivalents at the end of the period	50,352	30,565

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD FROM 1 JANUARY 2015 THROUGH 30 SEPTEMBER 2015

(in EUR '000)

	Equity attributable to shareholders of Nabaltec AG		
	Subscribed capital	Capital reserve	Earnings reserves
Balance per 01/01/2014	8,000	29,764	9,711
Dividend payment	—	—	—
Actuarial gains and losses	—	—	—
Foreign currency translation	—	—	—
Net gains from hedge accounting	—	—	—
Other gains/losses	—	—	—
Result for the period after tax	—	—	—
Consolidated result for the period	—	—	—
Balance per 09/30/2014	8,000	29,764	9,711
Actuarial gains and losses	—	—	—
Foreign currency translation	—	—	—
Net gains from hedge accounting	—	—	—
Other gains/losses	—	—	—
Result for the period after tax	—	—	—
Consolidated result for the period	—	—	—
Balance per 12/31/2014	8,000	29,764	9,711
Resolved dividend payment	—	—	—
Actuarial gains and losses	—	—	—
Foreign currency translation	—	—	—
Net gains from hedge accounting	—	—	—
Other gains/losses	—	—	—
Result for the period after tax	—	—	—
Consolidated result for the period	—	—	—
Balance per 09/30/2015	8,000	29,764	9,711

Profit carried forward	Accumulated other comprehensive result	Total	Non-controlling interests	Consolidated equity
8,293	-4,628	51,140	-771	50,369
-480	—	-480	—	-480
—	0	0	0	0
—	664	664	-22	642
—	-634	-634	45	-589
—	30	30	23	53
4,699	—	4,699	530	5,229
4,699	30	4,729	553	5,282
12,512	-4,598	55,389	-218	55,171
—	-4,042	-4,042	0	-4,042
—	302	302	-12	290
—	188	188	12	200
—	-3,552	-3,552	0	-3,552
794	—	794	48	842
794	-3,552	-2,758	48	-2,710
13,306	-8,150	52,631	-170	52,461
-960	—	-960	—	-960
—	0	0	0	0
—	729	729	-15	714
—	-247	-247	29	-218
—	482	482	14	496
5,390	—	5,390	706	6,096
5,390	482	5,872	720	6,592
17,736	-7,668	57,543	550	58,093

SEGMENT REPORTING

The operative segments are consistent with the business divisions of the Nabaltec Group. The risks as well as internal organization and reporting structure are mainly determined by the differentiation of the products.

BUSINESS SEGMENTS

Nabaltec is divided into two business segments, “Functional Fillers” and “Technical Ceramics”. Each segment represents a strategic business division, the products and markets of which differ from those of the other.

The “Functional Fillers” segment produces and distributes non-halogenated flame retardant fillers for the plastics and the wire & cable industry as well as additives.

The “Technical Ceramics” segment produces and distributes ceramic raw material and ceramic bodies for numerous applications in technical ceramics as well as the refractory industry.

PERIOD FROM 1 JANUARY 2015 – 30 SEPTEMBER 2015 (in EUR '000)						
	Functional Fillers		Technical Ceramics		Nabaltec Group	
	01/01– 09/30/15	07/01– 09/30/15	01/01– 09/30/15	07/01– 09/30/15	01/01– 09/30/15	07/01– 09/30/15
Revenues						
Third party revenue	78,486	24,810	36,916	12,834	115,402	37,644
Segment result						
EBITDA	14,188	4,047	5,051	1,161	19,239	5,208
EBIT	8,702	2,198	2,971	446	11,673	2,644

PERIOD FROM 1 JANUARY 2014 – 30 SEPTEMBER 2014 (in EUR '000)						
	Functional Fillers		Technical Ceramics		Nabaltec Group	
	01/01– 09/30/14	07/01– 09/30/14	01/01– 09/30/14	07/01– 09/30/14	01/01– 09/30/14	07/01– 09/30/14
Revenues						
Third party revenue	75,348	24,872	34,225	11,669	109,573	36,541
Segment result						
EBITDA	13,790	4,966	3,842	1,276	17,632	6,242
EBIT	8,644	3,238	1,760	563	10,404	3,801

ABRIDGED CONSOLIDATED NOTES TO THE INTERIM REPORT

FOR THE PERIOD FROM 1 JANUARY 2015 THROUGH 30 SEPTEMBER 2015

1. GENERAL INFORMATION

Nabaltec AG, based in Schwandorf, Germany¹, was founded under the name Nabaltec GmbH, with its registered head office in Schwandorf (registered in the Commercial Register of the Amberg Local Court under HRB 3920) by virtue of Articles of Incorporation dated 14 December 1994. It acquired the specialty alumina division of VAW aluminium AG in 1995. The Company was converted to a stock corporation in 2006.

According to Section 2 of the Articles of Association, Nabaltec AG's business activities include the development, manufacturing and distribution of highly specialized products based on mineral raw materials, particular on the basis of aluminum hydroxide and aluminum oxide.

The shares of Nabaltec AG are listed in the Open Market (Entry Standard) segment of the Frankfurt Stock Exchange since 24 November 2006.

2. BASIS OF PREPARATION

The consolidated financial statements of Nabaltec AG as of 30 September 2015 were prepared with due regard to all International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) and interpretations of the International Financial Reporting Interpretation Committee (IFRIC) and of the Standing Interpretations Committee (SIC) recognized by the European Union and applicable to the financial year.

The interim financial statements of Nabaltec AG for the period from 1 January to 30 September 2015 were prepared in conformance with IAS 34, "Interim Financial Reporting", as a shorter financial report. The shorter financial statements do not contain all information prescribed for the financial statements of the financial year and should be read in conjunction with the consolidated financial statements as at 31 December 2014.

The interim financial statements encompass the period from 1 January 2015 to 30 September 2015.

The consolidated financial statements are prepared in euro (EUR). Unless stipulated otherwise, all values are rounded up or down to the nearest thousand euro (EUR thousand) in accordance with the commercial rounding practice. Please note that differences can result from the use of rounded amounts and percentages.

The presentation in the balance sheet differentiates between current and non-current assets and liabilities, some of which are broken down further by their respective maturities in the notes to the financial statements.

¹ Nabaltec AG, Alustraße 50 – 52, 92421 Schwandorf, Germany

The consolidated statement of comprehensive income has been prepared in accordance with the total expenditure format.

The interim financial statements have not been audited or reviewed by the auditor.

SCOPE OF CONSOLIDATION

The consolidated group of Nabaltec AG as at 30 September 2015 did not change compared to the consolidated financial statements as at 31 December 2014 or the third quarter of financial year 2014. The consolidated financial statements encompass the financial statements of Nabaltec AG, Schwandorf, as parent company, and its subsidiary Nashtec LLC, Texas (USA).

NEW ACCOUNTING PROVISIONS

All accounting and valuation methods used in the preparation of the abridged financial statements correspond to the methods applied in the most recent consolidated financial statements as at 31 December 2014.

In addition to the Standards and Interpretations used on 31 December 2014, the following Standards and Interpretations were used for the first time, and had no impact on the interim financial statements:

- Amendments to IAS 19 Employee Benefits (2013)
- IFRIC 21 Levies (2013)
- Annual Improvements to IFRSs 2010 – 2012 Cycle
- Annual Improvements to IFRSs 2011 – 2013 Cycle

The IASB did not publish any other Standards prior to the publication of these interim financial statements.

3. NOTES TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

REVENUE

We refer to the segment reports with respect to the revenue by product area. Information on revenue performance may be found in the management report.

4. NOTES TO THE CONSOLIDATED BALANCE SHEET

PROPERTY, PLANT AND EQUIPMENT

The additions to property, plant and equipment in the first nine months of 2015 were the result of investments, primarily in technical equipment and machinery to expand capacity and for further process optimization.

SHAREHOLDERS' EQUITY

The change in the shareholders' equity of Nabaltec AG is presented in the consolidated statement of changes in equity. The item "minority shares" represents shares in the shareholders' equity of Nashtec LLC, Texas (USA).

CURRENT AND NON-CURRENT LIABILITIES

Liabilities to banks

Liabilities to banks largely entail credits borrowed at standard market interest rates. The market value corresponds to the book value.

A bank loan in the amount of EUR 5,000 thousand was amortized early on 31 March 2015.

In April 2015, Nabaltec AG has successfully issued a loan against borrower's note with a volume of EUR 70,000 thousand, securing better conditions for the future financing of the company in the long term. The borrower's note was issued in various tranches, with terms of five and seven years, and with variable rates of interest, for which an interest hedge was also executed.

Issuance of the borrower's note allows Nabaltec AG to finance upcoming projects, expand its freedom of action by increasing liquidity, optimize its financing structure and improve its financial result. In this context, Nabaltec AG has opted for early termination of part of the loan against borrower's note issued in October 2013, with a volume of EUR 50,000 thousand, as of 23 April 2015. This relates to the portion of the loan with a variable rate of interest and durations of five and seven years, for a total volume of EUR 43,500 thousand.

5. OTHER DISCLOSURES

OTHER FINANCIAL OBLIGATIONS

Contingent liabilities and legal liability relations

As of the cutoff date, there were no contingent liabilities, legal liability relations or other legal disputes for which provisions had not been previously made.

Related party transactions

The group of related persons and enterprises did not change compared to the consolidated financial statements as at 31 December 2014.

No transactions with related persons and enterprises took place in the first nine months of 2015. Such transactions are conducted at standard market prices and conditions.

Significant events after the balance sheet date

No significant events were registered after the balance sheet date.

Schwandorf, 2 November 2015

The Management Board

FINANCIAL CALENDAR 2016	
Annual Report 2015	29 April 2016
Interim Report 1/2016	31 May 2016
Annual General Meeting	30 June 2016
Interim Report 2/2016	30 August 2016
Interim Report 3/2016	29 November 2016

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Text

Nabaltec, Schwandorf
 Better Orange, Munich

Concept and realization

CAT Consultants, Hamburg

Photos

Andre Forner, Gerhard Götz, Stefan Hanke, Clemens Mayer, Fotolia

Statements relating to the future

This interim report contains statements relating to the future which are based on the Management Board's current estimations and prognosis as well as on information currently available. These statements relating to the future are not to be understood as guarantees of the predicted future developments and results. The future developments and results are rather dependent on a number of risks and uncertainties and are based on assumptions which possibly may prove to be false. We do not accept any obligation to update these statements relating to the future.

Rounding

Due to computational reasons, rounding differences may appear in the percentages and figures in the tables, graphics and text of this report.

